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August 28, 2015

VIA EMAIL AND FED EX

Mr. Scott Sanders, APIR
Life and Health Supervisor
Division of Insurance and Financial Oversight
Office of Insurance and Safety Fire Commissioner
West Tower, Floyd Building, Suite 604
2 Martin Luther King, Jr. Drive
Atlanta, GA 30334

Mr. Trey Sivley, Esq.
Division Director
Division of Insurance and Financial Oversight
Office of Insurance and Safety Fire Commissioner
West Tower, Floyd Building, Suite 604
2 Martin Luther King, Jr. Drive
Atlanta, GA 30334

Re: Responses To Questions From Georgia Office of Insurance and Safety Fire
Commissioner Involving Form A Statement Regarding the Acquisition of Control of
Humana Employers Health Plan of Georgia, Inc. (the "Domestic HMO") by Aetna Inc.
(the "Applicant")

Dear Mr. Sivley and Mr Sanders:

Below please find responses to your questions in the above referenced matter. Thank you for
your consideration in this matter. If you require any additional information please feel free to
contact me at (312) 443-0532 or tfarber@lockelord.com.

I. Trey Sivley Network and Provider Questions Response From August 12, 2015 Letter:

Answer to Question 1: Applicant is unable to answer this question at this time. It does not
have access to information about Humana's contractual relationships with providers. Please
note that antitrust laws limit the ability of Aetna and Humana to share certain information pre-
closing.

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Answer to Questions 2-7: Matters such as those discussed in Questions 2-7 will be resolved in due course during the integration process following the closing of the transaction and have not been decided at this time. Aetna's experience is that integration typically can take two-three years. As an example in Aetna's acquisition of Coventry Aetna did not begin to transition Coventry policies until over 18 months after closing and in many cases Aetna has kept those Coventry policies available. Please note that antitrust laws limit the ability of Aetna and Humana to share certain information pre-closing. Aetna will comply with all Georgia network adequacy laws in making these determinations. In addition, Aetna intends to make decisions on these issues with the goal of serving the diverse needs of Georgia consumers and employers with high quality, affordable products.

II. Trey Sivley Competition Questions From August 12, 2015 Letter:

Please see the attached Form E filing which addresses these issues.

III. Scott Sanders Questions:

1) Please provide the Form E filing associated with this transaction.

Answer: Please see the attached Form E filing.

2) In the current Form A filing, the total value of the Transaction is purported to be approximately \$37 billion of which approximately \$16 billion will be financed. At present is there more information available to Aetna as to the ultimate nature and mix of debt that will be utilized to close the Transaction? If any changes have occurred to the nature and mix of debt to fund the transaction an amendment to the Form A filing is necessary and a new 8-K should be submitted.

3) Please detail the line items that comprise the total value of the Transaction mentioned in the previous item.

Answer to Questions 2 & 3: There have been no changes in the nature and mix of debt to fund the transaction since the filing of the Form A and the description in the Form A remains accurate.¹

¹ Form A provides: [I]n consideration for the First Merger, each outstanding share of Humana's common stock (other than shares held, directly or indirectly, by Humana or Aetna and other than those shares with respect to which appraisal rights are properly exercised) will be converted into the right to receive (i) 0.8375 shares of Aetna's common stock and (ii) \$125.00 in cash, without interest. Aetna expects to finance the cash portion of the Transaction with approximately \$3.4 billion of cash that is projected to be available at Aetna and Humana at the time of the First Merger closing and by issuing approximately \$16 billion of new term loans, debt and commercial paper. Aetna will also assume indirectly through Humana LLC, the Surviving Company of the Second Merger, all of Humana's outstanding debt, which principal amount totals approximately \$3.8 billion. All of such foregoing debt, whether incurred as a result of the above financing, issuance of new term loans, debt and commercial paper by Aetna, or assumption by Aetna indirectly through Humana LLC of all of Humana's outstanding debt, will be the obligation of Aetna, the ultimate parent company, or of Humana LLC, a direct wholly-owned subsidiary of Aetna, and not an obligation of the Domestic HMO. The total dollar value of the Transaction is approximately \$37 billion, based on the closing price of Aetna's common shares on the New York Stock Exchange on July 2, 2015.

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Sources and Uses of Funds (in \$Billions)

Sources of Funds:

Available Cash	3.4
New Debt and Commercial Paper	16.2
Target Debt Assumed	3.8
New Shares Issued	<u>16.0</u>
<i>Total Sources</i>	39.4

Uses of Funds:

Purchase Equity	34.1
Target Debt Assumed	3.8
Other	<u>1.5</u>
<i>Total Uses</i>	39.4

The average interest rate on Aetna's transaction debt is projected to be ~3%, pre-tax.

The purchase price is \$230.11 per Humana share consisting of:

–\$125 per share in cash consideration

–\$105.11 in shares of AET stock

–Implied consideration mix: 54% Cash and 46% Stock

On July 2, 2015, Aetna entered into a bridge facility commitment letter (the "Commitment Letter") pursuant to which Citigroup Global Markets Inc., UBS AG, Stamford Branch, and UBS Securities LLC have committed to provide up to \$16.2 billion under a 364-day senior unsecured bridge loan facility to finance the transaction in the event that Aetna has not received any combination of (i) senior notes, (ii) senior unsecured term loans and/or (iii) commercial paper in an aggregate principal amount of at least \$16.2 billion prior to the consummation of the Mergers. The commitment is subject to various conditions and the Commitment Letter is attached.

The below linked Form 8-K filed on July 31, 2015 describes the Third Amendment to Aetna's Existing Credit Agreement as well as entry into a Bridge Credit Agreement and Term Loan Credit Agreement. A copy will be sent to by hard copy due to size.

<http://www.sec.gov/Archives/edgar/data/1122304/000095010315006046/0000950103-15-006046-index.htm>

4) Please provide a list of the regulatory approvals needed to complete the Transaction. Include in the listing the contact information of all individuals in these regulatory bodies that have received a filing similar to the filing under consideration. Finally, include in this listing discussion of the timing needed of each approval to cleanly close the Transaction by the specified closing date.

Answer: Please see the attached list of regulatory approvals with current contact information for the Form A states. We would like approval as soon as possible but no later than the end of the 2015.

5) Please provide business plans and financial projections (including expected dividend payments for the next 3 calendar years) for Aetna Health Inc. (a Georgia corporation), Aetna Better Health Inc. (a Georgia corporation) and the Domestic HMO.

Answer: The business plan for the Aetna HMOs was provided by email on August 11, 2015 and the financial projections for the Domestic HMO were previously provided with the Form A. Attached please find the financial projections for the Aetna domestic HMOs as well as the business plan for the Domestic HMO. Applicant reaffirms its request for confidentiality for financial projections and business plans.

6) If not already provided, please provide updated biographical affidavits and investigative background reports for all officers and directors of the Applicant that will become officers and directors of the Domestic HMO post-closing.

Answer: The updated biographical affidavits have been provided to the Georgia Office of Insurance for the directors and executive officers of Aetna Inc. and the investigative background reports are currently being conducted and will be provided shortly.

No specific material changes in the Board of Directors or senior management or operations of the Domestic HMO are currently planned as part of the transaction or immediately after the Transaction other than to replace any current Board members or employees who resign following the closing of the Transaction. If any such changes were to occur following the closing of the transaction, they would be communicated to the Georgia Office of Insurance as appropriate and as required by law and would be effected in compliance with all applicable statutory and regulatory requirements.

7) Please provide a listing of the current operational personnel for the Domestic HMO as well as the number of those individuals who currently reside in Georgia. Please also list how many of the total proposed directors of Domestic HMO post-closing are Georgia residents.

8) Please provide a listing of the current operational personnel for the Domestic HMO as well as the number of those individuals who currently reside in Georgia.

Answer: Humana has informed Aetna that it has 683 associates residing in Georgia as of the first week of August 2015. These associates are sorted into categories primarily based on Humana's segment/functional areas as shown in the chart below.

Medicare	151
Retail Sales	89
Commercial Group	151
Government Business	59
Network	34
Clinical	110
Other	89
Total	683

All associates included in the list reside in Georgia, but some support Georgia-only operations while others have duties supporting regional operations. Note that in the chart "Medicare" includes operational and business leadership positions. "Retail Sales" encompasses Humana's commercial individual business, including exchange, as well as Medicare Advantage sales. "Government Business" encompasses support of Humana's TriCare business operations. "Other" includes associates in several functional areas, including Pharmacy, Finance, HR and IT.

Directors for these business are primarily in Humana's headquarters in Louisville, KY. Alan Wheatley, located in Louisville, KY, directs Medicare and Retail Sales. Elizabeth Bierbower leads the Commercial Group and Government Business (Tricare) teams. Timothy O'Rourke, located in Chicago, IL, heads Network. Clinical is led by Marsden Connolly, residing in Louisville, KY. Attached is a more detailed functional area report.

Please also see the attached presentation that Humana gave in Atlanta, GA, during April of 2015, when the Humana Inc. stockholder's meeting was held. Please note that the reference to 1,000 associates on slide 2 of the presentation previously included Concentra employees. However Concentra was sold on June 1, 2015 thereby resulting in the primary cause in reduction of associate count indicated above.

The Domestic HMO has three current Directors, two of whom are Georgia residents. There are no current plans to make any changes to the Board of Directors at this time.

9) Please provide a list of the current affiliated agreements approved by the State of Georgia for the Domestic HMO. Please affirm that each of these agreements will remain in full effect post-closing of the Transaction. If any agreements are expected to be changed or replaced please detail these changes in your response and if available please provide draft copies of these amended/new agreements.

Answer: The current list of affiliated agreements for the Domestic HMO is as follows:

- 1) Corporate Service Agreement dated December 23, 2005 between Humana Employers Health Plan of Georgia, Inc. and Humana Inc.

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- 2) Indemnity Agreement dated April 14, 1997 between Humana Inc. and Humana Employers Health Plan of Georgia, Inc.
- 3) Service Center Service Agreement-B effective December 15, 2004 between Humana Employers Health Plan of Georgia, Inc. and Humana Insurance Company.
- 4) Tax Allocation Agreement between Humana Inc. and Humana Employers Health Plan of Georgia effective December 31, 1996.
- 5) Indemnity Agreement between CareNetwork, Inc. and Humana Employers Health Plan of Georgia, Inc. effective September 30, 2005.
- 6) Medicare Risk Marketing Service Agreement effective January 1, 2001 between Humana Employers Health Plan of Georgia, Inc. and Humana MarketPOINT, Inc.

After the Transaction is consummated and as part of the ongoing integration of the management and operation of Aetna's health businesses and Humana's health businesses, which Aetna is acquiring, Aetna may terminate existing and enter into new affiliate or intercompany agreements such as Federal tax sharing agreements. Any changes to affiliate or intercompany agreements proposed to be made with respect to the Domestic HMO following the Transaction would be implemented subject to and after any required insurance regulatory approvals with the Georgia Office of Insurance, as appropriate and as required by law, and would be effected in compliance with all applicable statutory and regulatory requirements.

For the Aetna Inc. acquisition of Coventry Health Care, Inc., the Coventry domestic insurers joined Aetna Inc.'s current tax sharing agreement pursuant to a Form D that was filed post-closing. The Georgia Office of Insurance has a copy of Aetna's current tax sharing agreement.

10) Have the Humana Inc. stockholders approved the Acquisition Agreement?

Answer: No. A special meeting of the stockholders of Humana is scheduled to be held on October 19, 2015 regarding approval of the transactions.

11) In terms of dissenting rights of stockholders, do the parties of the Acquisition Agreement envision any "dissenting rights" issues as a result of the agreement? If so, please explain.

We are not aware of any dissenting rights issues at this at time.

12) What is the current status of the Hart-Scott-Rodino filing? Please provide a copy of the filing and related requests for information from the U.S. Department of Justice.

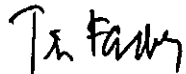
Answer: Please see the attached Form 8-K filed showing the status of the HSR filing. No information specific to Georgia was contained in the HSR filing or has been requested by the Department of Justice.

Thank you for your consideration in this matter. If you require any additional information please feel free to contact me at (312) 443-0532 or tfarber@lockelord.com.

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Very truly yours,

LOCKE LORD LLP

A handwritten signature in black ink, appearing to read "Tim Farber". The signature is written in a cursive, slightly stylized font.

Tim Farber

Enclosures

AETNA INC. PROPOSED ACQUISITION OF HUMANA INC.

Principal Filings in connection with the Transaction.

Form A Filings		
Arizona Department of Insurance	Form A (Acquisition of Control) in respect of foreign health care service organizations Arcadian Health Plan, Inc. and Humana Health Plan, Inc.	Cary W. Cook, Chief Financial Compliance Officer Arizona Department of Insurance 2910 N. 44th St., Suite 210 Phoenix, AZ 85018 CCook@azinsurance.gov
Arkansas Department of Insurance	Form A (Acquisition of Control) in respect of Humana Regional Health Plan, Inc.	Arkansas Insurance Department ATTN: Amanda Rose, Legal Division 1200 West Third Street Little Rock, Arkansas 72201-1904 501-371-2828 Amanda.Rose@arkansas.gov
California Department of Managed Health Care	Notice of Material Modification in respect of Humana Health Plan of California, Inc. and Arcadian Health Plan, Inc. filed by the respective CA licensed health plans	Jonathon Williams California Department of Managed Care 980 9th Street, Suite 500 Sacramento, CA 95814-2725 Phone: 916-323-6948 Fax: 916-327-6352 Email: Jonathon.williams@dmhc.ca.gov

<p>Florida Office of Insurance Regulation</p>	<p>Form A (Acquisition of Control) in respect of CarePlus Health Plans, Inc., CompBenefits Company, Humana Health Insurance Company of Florida, Inc., Humana Medical Plan, Inc.</p>	<p>Jan Hamilton Operations Review Specialist Life & Health Financial Oversight Florida Office of Insurance Regulation 200 East Gaines Street Tallahassee, FL 32399-0332 (850) 413-3153 Jan.Hamilton@fior.com</p> <p>Gwen Chick Company Admissions/Business Development Florida Office of Insurance Regulation 200 East Gaines Street Tallahassee, FL 32399-0332 (850) 413-2570 (Telephone) Gwen.Chick@fior.com</p>
<p>Georgia Office of Insurance and Fire Safety Commissioner</p>	<p>Form A (Acquisition of Control) in respect of Employers Health Plan of Georgia, Inc.</p>	<p>Scott Sanders, APIR Life and Health Supervisor Division of Insurance and Financial Oversight Office of Insurance and Safety Fire Commissioner West Tower, Floyd Building, Suite 604 2 Martin Luther King, Jr. Drive Atlanta, GA 30334 Phone (404) 657-7742 E-mail SSanders@oci.ga.gov</p> <p>Trey Sivley, Esq. Division Director Division of Insurance and Financial Oversight Work: 404-656-5867 Email: tsivley@oci.ga.gov</p>

AGENCY	NATURE/PURPOSE OF FILING	CURRENT CONTACT
Illinois Department of Insurance	Form A (Acquisition of Control) in respect of CompBenefits Dental, Inc., Humana Benefit Plan of Illinois, Inc. and Humana Dental Concern, Ltd.	<p>Alesia Pierce LAH Financial Analysis Unit Illinois Department of Insurance 320 West Washington Street, Fourth Floor Springfield, Illinois 62767 -0001 (217) 782-1777 Alesia.Pierce@Illinois.gov</p>
Kentucky Department of Insurance	Form A (Acquisition of Control) in respect of CHA HMO, Inc., Humana Health Plan, Inc., Humana Insurance Company of Kentucky and The Dental Concern, Inc.	<p>Rob Roberts Executive Assistant to the Commissioner Ombudsman Kentucky Department of Insurance 215 West Main Street Frankfort, Kentucky 40601 (502) 564-6026 Rob.Roberts@ky.gov</p> <p>Shaun Orme (General Counsel) Phone: (502) 564-6032 ShaunT.Orme@ky.gov</p>

Louisiana Department of Insurance	Form A (Acquisition of Control) in respect of Humana Health Benefit Plan of Louisiana, Inc.	<p>Ms. Terry Stubbs, Insurance Specialist III Company Licensing Division Louisiana Department of Insurance P.O. Box 94214 Baton Rouge, LA 70804-9214 (225)219-4318 tstubbs@ldi.la.gov</p> <p>Mr. Mike Boutwell Assistant Commissioner of Licensing & Compliance Company Licensing Division Louisiana Department of Insurance 1702 North Third Street Baton Rouge, Louisiana 70804 (225) 219-4318 Mboutwell@ldi.state.la.us</p>
Michigan Department of Insurance and Financial Services	Form A (Acquisition of Control) in respect of Humana Medical Plan of Michigan, Inc.	<p>Ms. Jennifer Schulze 530 W. Allegan Street, 7th Floor Lansing, MI 48933 517-284-8770 schulzej1@michigan.gov</p>
New York Department of Financial Services	Form A (Acquisition of Control) in respect of Humana Insurance Company of New York	<p>Mr. Warren Youngs Supervising Insurance Examiner New York State Department of Financial Services Health Bureau One State Street, 11th Floor New York, NY 10004-2319 (212) 480-3883 warren.youngs@dfs.ny.gov</p>

New York Department of Health	Application in respect of Humana Health Company of New York, Inc.	Ms. Rachel Barbash New York State Department Office of Health Insurance Programs One Commerce Plaza Room 1609 Albany, NY 12237 518-474-5050
Ohio Department of Insurance	Form A (Acquisition of Control) in respect of Humana Health Plan of Ohio, Inc.	Ms. Rochelle Smith Ohio Department of Insurance 50 West Town Street, Suite 300 Columbus, Ohio 43215 Rochelle.Smith@insurance.ohio.gov
Pennsylvania Insurance Department	Form A (Acquisition of Control) in respect of Humana Medical Plan of Pennsylvania, Inc.	Steven L. Yerger, Company Licensing Division, Insurance Department, SYerger@pa.gov Pennsylvania Insurance Department 1326 Strawberry Square Harrisburg, Pennsylvania 17120
Puerto Rico Office of the Commissioner of Insurance	Form A (Acquisition of Control) in respect of Humana Health Plans of Puerto Rico, Inc. and Humana Insurance of Puerto Rico, Inc.	María Morcelo Vázquez, MBA, APIR Financial Analyst Office of the Commissioner of Insurance of Puerto Rico mmorcelo@ocs.gobierno.pr Phone:(787)304-8686 Ext. 4404 Fax:(787)304-0099 GAM Tower Urb. Caparra Hills Industrial Park, 2 Tabonuco St. Suite 400 Guaynabo, PR B5 Tabonuco St, Suite 216 PMB 356 Guaynabo, PR 00968-3029

South Carolina Department of Insurance	Form A (Acquisition of Control) in respect of Kanawha Insurance Company	Ms. Linda G. Haralson Chief Financial Examiner South Carolina Department of Insurance Capitol Center 1201 Main Street, Suite 1000 Columbia, South Carolina 29201 (803) 737-6116 LHaralson@doi.sc.gov
Tennessee Department of Commerce & Insurance	Form A (Acquisition of Control) in respect of Cariten Health Plan, Inc.	Wenge Parr, MAA, CFE, APIR Insurance Financial Analyst Insurance Division/Financial Affairs Davy Crockett Tower, 7th Floor 500 James Robertson Pkwy, Nashville, TN 37243 p. 615-741-7292 wenge.y.parr@tn.gov
Texas Department of Insurance	Form A (Acquisition of Control) in respect of CompBenefits Insurance Company, DentiCare, Inc., Emphesys Insurance Company and Humana Health Plan of Texas, Inc.	Chris Osuna Financial Analyst Texas Department of Insurance Financial Regulation Division Texas Department of Insurance 333 Guadalupe Street Austin, Texas 78701 Phone: 512-676-6428 Email: chris.osuna@tdi.texas.gov

AGENCY	NATURE/PURPOSE OF FILING	CURRENT CONTACT
Utah Insurance Department	Form A (Acquisition of Control) in respect of Humana Medical Plan of Utah, Inc.	Mrs. Dava Ann Neal Utah Insurance Department Company Licensing Specialist Examination Division State Office Building, Room 3110 Salt Lake City, Utah 84114-6901 801-538-3812 dberlinger@utah.gov
Washington State Office of the Insurance Commissioner	Form A (Acquisition of Control) in respect of Arcadian Health Plan, Inc.	Ron Pastusch Holding Company Manager Washington Office of the Insurance Commissioner 5000 Capitol Blvd SE Tumwater, Washington 98501 Phone 360-725-7211 RonP@oic.wa.gov Company Supervision
Wisconsin Office of the Commissioner of Insurance	Form A (Acquisition of Control) in respect of Humana Insurance Company, Humana Dental Insurance Company, Humana Wisconsin Health Organization Insurance Corporation and Independent Care Health Plan	Kristin Forsberg, CPA, CFE Bureau of Financial Analysis and Examinations Office of the Commissioner of Insurance 125 S. Webster St. Madison, WI 53702
Form E Filings		
Aetna plans to make s Form E filings with the following 30 jurisdictions and the Transaction is subject to expiration or termination of the applicable waiting period for such filings: Alaska, Arizona, Arkansas, Colorado, Connecticut, Delaware, District of Columbia, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maryland, Mississippi, Missouri, Nevada, New Hampshire, New Jersey, New Mexico, North Dakota, Pennsylvania, Puerto Rico, South Carolina, South Dakota, Tennessee, Utah (Form E requirements effective later this year), Virginia, Washington, West Virginia and Wisconsin (Form E requirements effective later this year).		
Filings in Respect of Captive Insurers		
Vermont Department of Financial Regulation	Regulation C-81-2, § 14 Filing requesting approval of the proposed acquisition of Managed Care Indemnity, Inc.	
Filings in Respect of Third Party Administrators		

AGENCY	NATURE/PURPOSE OF FILING	CURRENT CONTACT	
Texas Department of Insurance	Notification of Indirect Change of Control of Texas licensed TPAs CorpHealth, Inc. and Humana Pharmacy Solutions, Inc.		
Filings in Respect of Insurance Agency			
Texas Department of Insurance	Filing of Texas Biographical Form and Certification of License Qualification in respect of the change of control of Humana MarketPOINT, Inc.		
Filings in Respect of Health Discount Plus Operator			
Utah Insurance Department	Notification of Indirect Change of Control of HumanaDental Insurance Company		
Federal HSR Antitrust Filing under the Hart-Scott Rodino Antitrust Improvements Act of 1976, as amended ("HSR Act")			

"The parties' respective obligations under the Acquisition Agreement to consummate the Transaction are subject to the prior satisfaction of certain conditions, including the approval of the Acquisition Agreement by Humana's stockholders, approval of the issuance of Aetna's common shares to Humana's stockholders by Aetna's stockholders, expiration or termination of the applicable waiting periods under the Hart-Scott Rodino Antitrust Improvements Act of 1976, as amended ("HSR Act"), and receipt of all specified regulatory approvals.

In addition, Humana will provide written notification of the Transaction, on a pre-closing basis, to various state and federal health care regulators. Recipients of these notices will include regulators responsible for Humana's: Medicaid Managed Care Plans; Medicare Advantage Plans; pharmacy-related licenses, including DEA registrations and state controlled substances licenses; pharmacy-related Medicaid Provider Agreements; and health care facility licenses. Further, where required by state regulation or contract, Humana or Aetna may submit new license applications to regulators of the above-referenced licenses, plans or agreements prior to or after the closing of the Transaction."

In addition to the foregoing, as a result of the Transaction, there may be additional filings with various government authorities including but not limited to:

- o Government authorities responsible for the administration and regulation of state Medicaid programs.
- o The Centers for Medicare and Medicaid Services (CMS).
- o To the extent required by applicable law, any applicable government authority with respect to the change in ownership or control of any subsidiary of Humana Inc. that is licensed or authorized to operate a pharmacy-related business or any health care-related facility.